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D'ELDONA GOLD MINES LIMITED



Financial Statements



**FOR THE YEAR ENDED
APRIL 30, 1964**

Directors' Report

To the Shareholders:

D'ELDONA GOLD MINES LIMITED

Your Directors submit herewith the Auditors' Report, Balance Sheet and related statements for the year ended April 30th, 1964.

In April of this year your Company acquired a group of ten mining claims in the Timmins area of Ontario, in Mahaffy Township. This ground lies a few miles north-west of the major copper-zinc-silver discovery of Texas Gulf Sulphur which touched off a major staking rush earlier this year. Geo-physical surveys both magnetic and electro-magnetic, were recently completed on your claims. The results of these studies have indicated two areas which are recommended for further exploration. Your Directors are awaiting the conclusion of a drilling programme commencing very shortly by our neighbour to the east, before they decide on the extent of our further activities.

Your Company continues its interest, and is maintaining its claims in good standing in the following areas — Rouyn Township, Duprat Township, Beauchastel Township, all in the Province of Quebec, and, in Salter Township, Ontario. Several Companies are examining geologically the areas adjacent to our holdings and your Directors have adopted a policy of watchful waiting.

On behalf of the Board of Directors,

EARL BROWN
President

Toronto, October 26, 1964.

D'ELDONA GOLD MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET AS AT APRIL 30, 1964

ASSETS

Current assets:

Cash	\$ 1,448.57
Province of Ontario bonds, at cost (market value \$20,000.00)	20,077.50
Accrued interest on bonds	525.00
Miscellaneous receivable	347.25
	\$ 22,398.32

Investments:

Shares in other mining companies, at cost (market value \$11,435.00)	26,317.50
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Fixed assets:

Mining claims, at \$253,921.00 attributed to 553,333 shares of the company's capital stock (as presently constituted) issued for the claims plus \$30,767.50 paid in cash	\$ 284,688.50
Equipment, at nominal value	1.00

Deferred expenditures and other assets

Exploration, development and administrative expenditures, per statement ..	\$ 773,396.46
Miscellaneous advance	1,250.00
Incorporation and recapitalization expenses	7,465.26
	782,111.72
	<u>\$1,115,517.04</u>

LIABILITIES

Current liabilities:

Accounts payable	\$ 7,367.50
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Capital and deficit:

Capital stock:

Authorized:

6,000,000 shares, par value \$1.00 each

Issued and fully paid:

4,255,666 shares	\$4,255,666.00
Less — discount	2,171,650.00
	\$2,084,016.00

Deficit:

Balance, April 30, 1963	\$976,502.07
Less — profit from sale of investments	635.61
	975,866.46
	<u>\$1,115,517.04</u>

Approved on behalf of the Board of Directors:

E. BROWN, Director

E. F. FURNISS, Director

D'ELDONA GOLD MINES LIMITED

DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES FOR THE YEAR ENDED APRIL 30, 1964

Balance, April 30, 1963		\$759,767.34
Additions during year:		
Exploration expenditures:		
Engineer's fees	\$4,350.00	
Development licenses renewed	792.41	
Miscellaneous expenses	300.11	\$5,442.52
 Administrative expenditures:		
Secretarial and accounting services	\$3,450.00	
Executive officer's salary	2,000.00	
Share transfer expenses	1,514.21	
Legal, audit and other professional services	1,635.00	
Annual report	250.98	
Government fees and taxes	281.07	
Directors' fees	175.00	
Miscellaneous	443.04	
	\$9,749.30	
Less — \$1,337.70 interest income plus \$225.00 proceeds from sale of equipment	1,562.70	8,186.60
		13,629.12
Balance, April 30, 1964		<u>\$773,396.46</u>

AUDITORS' REPORT

To the Shareholders of
D'ELDONA GOLD MINES LIMITED

We have examined the balance sheet of D'Eldona Gold Mines Limited as at April 30, 1964 and the statement of deferred exploration, development and administrative expenditures for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and statement of deferred exploration, development and administrative expenditures present fairly the financial position of the company as at April 30, 1964 and its activities for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

FISHER, NISKER & COMPANY
Chartered Accountants.

Toronto, Ontario,
September 25, 1964.